

# **Support, Education, Advocacy and Leadership Program (SEAL)**

## **Department of Health and Social Services – Program 58**

### **I. PROGRAM OBJECTIVES**

The objective of this program is to provide mental health support, education, advocacy and leadership opportunities for consumers and families throughout the state of Alaska.

### **II. PROGRAM PROCEDURES**

Public funds are appropriated annually by the state Legislature to the Department of Health and Social Services and administered by the Division of Mental Health and Development Disabilities. The source of the funds may include federal, as well as Mental Health Trust Authority authorized funds (MHTAAR) and state general funds. Appropriated funds are distributed by a grant process to nonprofit agencies, to become the Support, Education, Advocacy and Leadership (SEAL) providers statewide, or for specific consumer run projects that provide limited specialized services. All funds granted under this program require that a 25% local match is available to support the program. This match can be in-kind, cash or a combination of both.

### **III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

#### **A TYPES OF SERVICES ALLOWED OR UNALLOWED**

##### Compliance Requirement

The services provided under this program are available to all families and/or consumers involved with mental health services in the state of Alaska. Support, education, advocacy and leadership training services are provided to the families/consumers and public at no cost.

##### Suggested Audit Procedures

Review:

1. Contract or final Notification of Grant Award (NGA) including all conditions;
2. Grant/Contract revisions and related transmittal letters;
3. Status of private nonprofit corporation;
4. Budget documents including final revised budget and budget narrative; and

Test financial and related records to determine that funds expended were for purposes specified in the grant/contract.

#### Compliance Requirement

Costs allowed or unallowed under this program are determined by grant regulations 7 AAC 78 as well as contract or budget document and special conditions.

#### Suggested Audit Procedures

- Review Department of Health and Social Services' grant regulations 7 AAC 78 and budget documents;
- Review DHSS Community Mental Health grant regulations 7 AAC 71;
- Test financial and related records to determine the appropriateness of costs per 7 AAC 71, and 78; and
- Determine whether expenditures are within the budget limits prescribed by 7 AAC 71; and 7 AAC 78.260(e)(1).

### B. ELIGIBILITY

#### Compliance Requirement

The agency must be a nonprofit or a political subdivision as per AS 47.30.475(a).

#### Suggested Audit Procedure

- Review articles of incorporation or other appropriate documentation, licenses, certifications and approvals to determine status of agency.

### C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

#### Compliance Requirement

Grants shall be awarded in accordance with AS 47.30.550 (Cost Sharing Formula Limitations).

#### Suggested Audit Procedures

- Review AS 47.30.550, 7 AAC 71, 7 AAC 78 and grant documents;
- Test financial and related documents to ensure that matching funds are appropriate and meet the requirements of AS 47.30.550, 7 AAC 71, and 78; and
- Determine whether or not matching requirements meet the required level.

### D. REPORTING REQUIREMENTS

#### Compliance Requirement

The agency must submit quarterly activity and expenditure reports no later than fifteen days after the close of each quarter or as prescribed in the grant/contract provisions.

Suggested Audit Procedures

- Confirm if such reports are being filed timely;
- That reported revenues and expenditures agree with the agency's general ledger; and
- That expenditures are within the budget limits or contract provisions.

Compliance Requirement

Agency audited financial statements must present a statement of revenue and expenditures for each state grant/contract. Such statements must show, for each state fiscal year grant, the final approved budget by line item category, actual revenues and expenditures and variance between budgeted and actual revenues and expenditures. Disallowed or questioned costs must be clearly disclosed.

Suggested Audit Procedure

- Review audited financial statements for compliance with above.

Compliance Requirement

The agency must clearly show on their audited financial statement any outstanding liability to the state as payable to the state. This includes unspent grant funds or disallowed costs.

Suggested Audit Procedures

- Determine whether or not the agency has any outstanding liability to the state; and
- Review audited financial statements to ensure proper presentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The agency must act upon any recommendations made by program site review.

Suggested Audit Procedures

- Obtain copy of program site review and corrective action log; and
- Determine if recommendations in the site review are being implemented.

New 5/02